

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 01

SHIP TO:

AS SPECIFIED ON INDIVIDUAL ORDERS

VENDOR ID:

GALLIKER DAIRY COMPANY
300 W INDUSTRIAL BLVD PO BOX 2189

CUMBERLAND, MD 21502
(301) 722-4410

REFER QUESTIONS TO:

KIMBERLY HACKETT
(410) 767-0788
KIMBERLY.HACKETT@MARYLAND.GOV

ITB:

EXPR DATE: 08/31/18
POST DATE: 08/22/17

DISCOUNT TERMS: .
CONTRACT AMOUNT:

NET 30 DAY
.00

TERMS:

ARTICLES HEREIN ARE EXEMPT FROM MARYLAND SALES AND USE TAXES BY EXEMPTION CERTIFICATE NUMBER 3000256-3 AND FROM FEDERAL EXCISE TAXES BY EXEMPTION NUMBER 52-73-0358K. IT IS THE VENDOR'S RESPONSIBILITY TO ADVISE COMMON CARRIERS THAT AGENCIES OF THE STATE OF MARYLAND ARE EXEMPT FROM TRANSPORTATION TAX.

STATEWIDE CONTRACT FOR MILK AND DAIRY PRODUCTS

WESTERN REGION

(REGION A)

THIS IS (1) ONE OF (2) TWO RENEWALS;

ORIGINAL: 001B6400087

RENEWAL #1: 001B8400084

GEOGRAPHICAL LOCATION:

WESTERN MD (REGION A) - TO INCLUDE WASHINGTON; ALLEGANY; AND GARRETT COUNTIES (INCLUDING, BUT NOT LIMITED TO WESTERN MD HOSPITAL CENTER; WESTERN MD CHILDREN'S CENTER; MARYLAND CORRECTIONAL INSTITUTE - HAGERSTOWN; ROXBURY CORRECTIONAL INSTITUTION; SAVAGE MOUNTAIN YOUTH CENTER; GREEN RIDGE YOUTH CENTER; WESTERN CORRECTIONAL INSTITUTION; NORTH BRANCH CORRECTIONAL INSTITUTION; BACKBONE MOUNTAIN YOUTH CENTER; AND MEADOW MOUNTAIN YOUTH CENTER).
SOUTHERN MD PRE-RELEASE UNIT; AND CHELTENHAM CORRECTIONAL).

*** CONTINUED, NEXT PAGE ***

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 02

TERMS (cont'd):

CONTRACT PERIOD: SEPTEMBER 1, 2017 THROUGH AUGUST 31, 2018

THIS CONTRACT MAY BE UNILATERALLY EXTENDED ONE (1) TIME FOR AN ADDITIONAL ONE (1) YEAR PERIOD PROVIDING THE TERMS AND CONDITIONS REMAIN THE SAME. THE PRICING IS BASED ON THE USDA FEDERAL MARKET ORDER FOR THE NORTHEAST MARKETING AREA.

PROCESSING FEE

1.
CONTRACTOR SHALL PAY A PROCESSING FEE TO THE STATE IN THE AMOUNT OF ONE PERCENT (1%) OF THE TOTAL CONTRACT SALES. THE PROCESSING FEE IS CALCULATED BASED ON ALL SALES TRANSACTED UNDER THE CONTRACT, MINUS, ANY RETURNS OR CREDITS. THE PROCESSING FEE SHALL NOT BE CHARGED DIRECTLY TO THE CUSTOMER, E.G., AS A SEPARATE LINE ITEM, FEE OR SURCHARGE, BUT SHALL BE INCLUDED IN THE CONTRACTS UNIT PRICES

2.
THE PROCESSING FEE SHALL BE SUBMITTED TO THE DEPARTMENT OF GENERAL SERVICES, FISCAL SERVICES DIVISION, 301 W. PRESTON STREET, ROOM 1309, BALTIMORE, MD., 21201, WITHIN TEN (10) CALENDAR DAYS FOLLOWING THE END OF EACH CALENDAR MONTH ALONG WITH A MONTHLY USAGE REPORT DOCUMENTING ALL CONTRACT SALES. AN EXCEL VERSION OF THE MONTHLY USAGE REPORT SHALL ALSO BE EMAILED TO THE PROCUREMENT OFFICER AND THE EMM ACCOUNTANT, AWAWU SALAKO, AT AWAWU.SALAKO@MARYLAND.GOV

3.
FAILURE TO REMIT PROCESSING FEES IN A TIMELY MANNER OR REMITTANCE OF FEES INCONSISTENT WITH THE CONTRACT'S REQUIREMENT MAY RESULT IN THE STATE EXERCISING ALL RECOURSE AVAILABLE UNDER THE CONTRACT INCLUDING, BUT NOT LIMITED TO, A THIRD PARTY AUDIT OF ALL CONTRACT ACTIVITY. SHOULD AN AUDIT BE REQUIRED BY THE STATE, THE CONTRACTOR SHALL REIMBURSE THE STATE FOR ALL COSTS ASSOCIATED WITH THE AUDIT UP TO \$10,000.00 OR ONE (1%) PERCENT OF THE CONTRACT'S ESTIMATED ANNUAL VALUE, WHICH EVER IS HIGHER.

QUOTED PRICES ARE TO BE NET 30 DAYS F.O.B. TO ANY POINT WITHIN THE SPECIFIED REGION, AND INCLUDE FREIGHT/SHIPPING, HANDLING AND ADMINISTRATION CHARGES. ALL DISCOUNTS ARE TO BE DEDUCTED AND REFLECTED IN NET PRICES.

PRICE ESCALATION/DE-ESCALATION:

IF DURING THE CONTRACT PERIOD THE PRICE OF CLASS I BULK MILK (PER CWT AS DETERMINED UNDER USDA FEDERAL MARKET ORDER FOR THE NORTHEAST MARKETING AREA INCREASES OR DECREASES, THE CONTRACT PRICES

*** CONTINUED, NEXT PAGE ***

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 03

TERMS (cont'd):

MAY BE ADJUSTED IN DIRECT PROPORTION TO THE PRICE CHANGE REFLECTED IN THE CLASS I SKIM MILK AND CLASS I BUTTERFAT PRICE ADJUSTED BY LOCATION DIFFERENTIAL. PRICE ADJUSTMENT WILL BE CALCULATED ON THE BASIS OF 8. LBS PER GALLON, 11.6279 GALLONS PER CWT. PRICE ADJUSTMENT REQUEST IS REQUIRED AND MUST INCLUDE PRODUCT PREMIUM ASSESSMENT FEE FOR EACH MONTH OF SUBMISSION.

VENDOR IS TO EMAIL PRICE ADJUSTMENTS EACH MONTH TO THE PROCUREMENT OFFICER AT VANESSA.WILLIAMS@MARYLAND.GOV, AT LEAST ONE (1) WEEK PRIOR TO THE ADJUSTMENT.

PRODUCTS OTHER THAN THOSE LISTED UNDER CLASS I MILK ON THE USDA FEDERAL MARKET ORDER FOR THE NORTHEAST MARKETING AREA WILL REMAIN FIXED THROUGHOUT THE CONTRACT TERM AND SUBSEQUENT RENEWALS.

*** FIXED PRICES SHALL BE LISTED ON THE CONTRACT LINE ITEMS; PRICES FOR CLASS ONE MILK PRODUCTS WILL BE LEFT BLANK ON THE LINE ITEM. THE ADJUSTED PRICE WILL BE LISTED MONTHLY IN THE NOTEPAD OF THE CONTRACT IN THE STATE FINANCIAL MANAGEMENT INFORMATION SYSTEM (FMIS).

<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>	
0001	38075-710035	HP		
MILK LACTAID 100% FAT FREE				
HALF PINT CONTAINER ; BRAND OFFERED GLENN FARMS				
0002	38075-7203XX	HP		
MILK, SKIM, HALF-PINT CONTAINER, PAPER.				
HALF-PINT CONTAINER; WESTERN REGION; BRAND OFFERED GALLIKER DAIRY				
0003	38075-710010	EA		
MILK, 1% BUTTERFAT, HOMOGENIZED, HALF PINT CONTAINER, PAPER				
HALF-PINT CONTAINER; WESTERN REGION; BRAND OFFERED GALLIKER DAIRY				

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 04

<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>
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0004	38075-710011	GL	
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MILK, ONE PERCENT, BUTTERFAT, HOMOGENIZED GALLON.

HALF-PINT CONTAINER; WESTERN REGION; BRAND OFFERED GALLIKER DAIRY

0005	38075-4040XX	GL	
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MILK, 2% BUTTERFAT, HOMOGENIZED, 5/6 GAL. POLYETHYLENE LINED SEALED
CARTONS, NOT FOR USE IN DISPENSER.

GALLON CONTAINER; WESTERN REGION; BRAND OFFERED POTOMAC FARMS

0006	38075-4104XX	HP	
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MILK, 3.25% MINIMUM BUTTERFAT, HOMOGENIZED, HALF-PINT CONTAINER, PAPER
HALF-PINT CONTAINER; WESTERN REGION; BRAND OFFERED GALLIKER DAIRY

0007	38075-4102XX	HG	
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MILK, 3.25% MINIMUM BUTTERFAT, HOMOGENIZED, HALF-GALLON CONTAINER, PAP
HALF-GAL CONTAINER; WESTERN REGION; BRAND OFFERED POTOMAC FARMS

0008	38075-710001	CS	
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MILK 1% CHOCOLATE, 5 GALLON DISPENSER, WESTERN REGION, BRAND OFFERED
GALLIKER DAIRY

0009	38075-2802XX	HP	
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MILK, CHOCOLATE, HALF PINT

MILK, 1% CHOCOLATE, HALF-PINT CONTAINER, WESTERN REGION, BRAND
OFFERED GALLIKER DAIRY

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 05

<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>	
0010	38075-12RICA	HP		
MILK, 1% CHOCOLATE HPT HALF-PINT CONTAINER, WESTERN REGION, BRAND OFFERED GALLIKER DAIRY				
0011	38075-7201XX	HG		
MILK, SKIM, HALF-GALLON CONTAINER, PAPER. WESTERN REGION, BRAND OFFERED POTOMAC FARMS				
0012	38075-1800XX	QT		
BUTTERMILK, QUART CONTAINER, PAPER. WESTERN REGION, BRAND OFFERED GALLIKER DAIRY				
0013	38075-3007XX	BX		
CREAMERS, NON-DAIRY, MINIMUM 3/8 OZ., INDIVIDUALS, 348/BX. WESTERN REGION, BRAND OFFERED CROWLEY				
0014	38075-3006XX	HP		
HALF & HALF, MINIMUM 3/8 OZ., INDIVIDUALS, WESTERN REGION, BRAND OFFERED CUMBERLAND DAIRY				
0015	38075-20HALF	EA		
EGG NOG, LIQUID, HALF GALLON CONTAINER WESTERN REGION, BRAND OFFERED GALLIKER DAIRY				
0016	38075-9000XX	CO		
YOGURT, LOW FAT, ASSORTED FLAVORS, 6 OZ. CONTAINERS, WESTERN REGION,				

*** CONTINUED, NEXT PAGE ***

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 06

<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>
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BRAND OFFERED AXELROD

0017	38075-9003XX	CO	
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YOGURT, LOW FAT, ASSORTED FLAVORS, 5 LB CONTAINERS
WESTERN REGION, BRAND OFFERED CROWLEY

0018	38075-3000XX	QT	
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CREAM, HEAVY WHIPPING, QUART CONTAINERS, PAPER.
WESTERN REGION, BRAND OFFERED FRESH LIFE

0020	38075-5020XX	LB	
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COTTAGE CHEESE, LOW FAT, 5 LB. CONTAINER
WESTERN REGION, BRAND OFFERED CROWLEY

0021	38075-5021XX	LB	
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COTTAGE CHEESE, REGULAR, 5 LB CONTAINER
WESTERN REGION, BRAND OFFERED GALLIKER DAIRY

0022	39360-590854	EA	
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ORANGE JUICE, 100% PURE, NO SUGAR OR PRESERVATIVES ADDED, 1/2 GAL/CTN.
WESTERN REGION, BRAND OFFERED GALLIKER DAIRY

0023	38554-000025	EA	
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ORANGE JUICE, 4 OZ. FRESH
WESTERN REGION, BRAND OFFERED GALLIKER DAIRY

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 07

<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>	
0024	39360-04APPL	CS		
APPLE JUICE, 40Z CONTAINER				
WESTERN REGION, BRAND OFFERED GALLIKER DAIRY				
0025	38075-6000XX	HP		
ORANGE DRINK, HALF-PINT CONTAINERS, PAPER				
WESTERN REGION, BRAND OFFERED DAIRY MAID DAIRY				
0026	38075-6003XX	HP		
FRUIT PUNCH DRINK, HALF-PINT CONTAINERS, PAPER.				
WESTERN REGION, DAIRY MAID DAIRY				
0027	24550	EA		
MILK CRATES DEPOSIT				
TO BE CREDITED UPON RETURN OF MILK CRATE (DELIVERED)				
0028	24550	EA		
MILK CRATES				
MILK CRATES, DEPOSIT. TO BE CREDITED UPON RETURN OF MILK CRATE				
(RETURNED)				
0029	38075-4042XX	HP		
MILK, 2% BUTTERFAT, HOMOGENIZED, HALF-PINT CONTAINER, PAPER.				
0030	38075-3004AX	EA		
SOUR CREAM, 5 LB. CONTAINER,				

*** CONTINUED, NEXT PAGE ***

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 08

<u>LINE #</u>	<u>STATE ITEM ID</u>	<u>U/M</u>	<u>UNIT COST</u>
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WESTERN REGION, BRAND OFFERED GALLIKER DAIRY

0032	38075-4042XX	HP	
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MILK, 2% BUTTERFAT, HOMOGENIZED, HALF-PINT CONTAINER, PAPER.
WESTERN REGION, BRAND OFFERED GALLIKER DAIRY

END OF ITEM LIST

DELIVERY:

AGENCIES USING THIS CONTRACT SHALL MAKE EVERY EFFORT TO UTILIZE
VENDOR'S STANDARD DELIVERY SCHEDULES.

DELIVERY FREQUENCY WILL BE MAXIMUM FIVE (5) DAYS PER WEEK. MOST UNITS
WILL REQUIRE LESS FREQUENT SCHEDULES. SOME AGENCIES REQUIRE INSIDE
DELIVERY IN LIEU OF LOADING DOCK. UNLESS OTHERWISE INSTRUCTED BY THE
USING AGENCIES, DELIVERIES ARE TO BE MADE IN COMPLIANCE WITH DELIVERY
SCHEDULES AS INDICATED ON INQUIRY. DELIVERIES TO COVER SUNDAYS AND
LEGAL HOLIDAYS WILL BE MADE ON THE PRECEDING DAY.

DELIVERY SCHEDULES, HOURS OF THE DAY, POINTS AT WHICH DELIVERIES WILL
BE MADE AND ANY OTHER DELIVERY REQUIREMENTS SHALL BE ESTABLISHED BY
THE RESPECTIVE AGENCIES AFTER AWARD AND PROVIDED TO THE CONTRACTOR IN
WRITING.

NO DELIVERIES ARE TO BE MADE PRIOR TO 6:30 A.M. OR TO AN UNATTENDED
AREA. DELIVERIES MADE TO AN UNATTENDED AREA WILL BE REJECTED. STATE
EMPLOYEE MUST SIGN FOR EACH DELIVERY AFTER VERIFYING COUNT.
INVOICES SUBMITTED FOR PAYMENT MUST BE ACCOMPANIED BY A SIGNED
DELIVERY RECEIPT.

PURVEYOR IS GIVEN THE OPTION OF CHARGING THE INSTITUTION A DEPOSIT ON
MILK CASES DELIVERED AND CREDIT FOR THOSE RETURNED. THIS TRANSACTION
MUST BE HANDLED IN AN ORDERLY MANNER. EACH DELIVERY RECEIPT TO SHOW
NUMBER OF CASES DELIVERED AND THE NUMBER OF CASES RETURNED.
INSTITUTION PERSONNEL TO SIGN FOR THE NUMBER OF CASES. ON THE MONTHLY
STATEMENT FOR MILK, SHOW AS A SEPARATE ITEM A CHARGE FOR CASES THAT
HAVE NOT BEEN RETURNED; THIS CHARGE SHALL BE YOUR ACTUAL COST FOR THE
CASES.

SECURE FACILITIES:

*** CONTINUED, NEXT PAGE ***

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 09

TERMS (cont'd):

SECURITY CONCERNS VARY STATEWIDE, BUT ARE ESPECIALLY IMPORTANT AT CORRECTIONAL FACILITIES AND CERTAIN OTHER FACILITIES. CONTRACTOR'S AND SUBCONTRACTORS' EMPLOYEES SHALL COMPLY WITH THE SECURITY REQUIREMENTS AT EACH FACILITY. AUTHORIZED USERS ARE RESPONSIBLE FOR ALERTING CONTRACTOR TO THESE REQUIREMENTS BEFORE OR WHILE PLACING THEIR FIRST ORDER.

CONTRACTORS ARE AWARE THAT COMMON SECURITY RESTRICTIONS INCLUDE:

IDENTIFICATION - ALL OF CONTRACTOR'S AND SUBCONTRACTORS' EMPLOYEES, WHILE WORKING ON STATE PROPERTY, SHALL CARRY OR DISPLAY ACCEPTABLE IDENTIFICATION. REQUIREMENTS VARY BY AUTHORIZED USER. FOR INSTANCE, SOME FACILITIES REQUIRE A VISIBLE PHOTO-ID BADGE, WHILE OTHERS MAY REQUIRE A VALID DRIVER'S LICENSE INSTEAD.

VEHICLE SECURITY - IN MANY LOCATIONS, DRIVERS SHALL TURN OFF VEHICLE MOTORS AND LOCK CAB DOORS WHENEVER THEIR TRUCK IS UNATTENDED.

PATIENT/INMATE CONTACT - DELIVERY PERSONNEL SHOULD MINIMIZE INTERACTION WITH INMATES OR PATIENTS, AND SHALL REPORT ANY VERBAL CONTACT TO THE AUTHORIZED USER BEFORE LEAVING THE SITE.

DRIVERS WHO ENTER HIGH SECURITY FACILITIES SHALL HAVE PRIOR APPROVAL TO ENTER FROM SECURITY STAFF, GENERALLY INVOLVING A BACKGROUND CHECK TO ENSURE THAT THEY ARE NOT CONVICTED FELONS. AT SOME FACILITIES, TRUCKS SHALL BE SEARCHED PRIOR TO ENTRY AND EXIT, CAUSING UP TO 30 MINUTES DELAY EACH WAY.

AT CORRECTIONAL FACILITIES AND YOUTH CENTERS, DRIVERS CAN NOT HAVE ANY WEAPONS (INCLUDING JACK KNIVES OR BOX CUTTERS), CELL PHONES, PAGERS, DRUGS, TOBACCO PRODUCTS OR ANY ITEM DEEMED TO BE POTENTIAL CONTRABAND. CORRECTIONAL OFFICERS CAN HOLD THESE ITEMS FOR DRIVERS AT THE DELIVERY SALLY-PORT AND RETURN THEM AS THE DRIVER EXITS THE GROUNDS. ANY ILLEGAL ITEMS SHALL NOT BE RETURNED.

ADDITIONAL TERMS & CONDITIONS:

IT IS UNDERSTOOD AND AGREED THAT ANY OR ALL PASTEURIZED MILK AND MILK PRODUCTS FURNISHED UNDER THIS CONTRACT SHALL COMPLY WITH ALL APPLICABLE PROVISIONS OF THE MARYLAND MILK LAW, TITLE 21, SUBTITLE 04 OF THE MARYLAND HEALTH CODE.

ALL PRODUCTS FURNISHED UNDER THIS CONTRACT MUST BE PROCESSED IN A PLANT HOLDING A VALID MILK PROCESSORS PERMIT ISSUED BY THE STATE OF MARYLAND.

THE FOLLOWING LISTED PRODUCTS SHALL MEAN:

*** CONTINUED, NEXT PAGE ***

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 10

TERMS (cont'd):

1. SKIM MILK SHALL CONTAIN LESS THAN 0.5 PERCENT BUTTERFAT;
2. COTTAGE CHEESE SHALL CONTAIN A MINIMUM OF 4 PERCENT BUTTERFAT;
3. LOW-FAT COTTAGE CHEESE SHALL CONTAIN 0.5-2% BUTTERFAT; AND
4. DRY CURD COTTAGE CHEESE SHALL CONTAIN LESS THAN 0.5 PERCENT BUTTERFAT.

DATED PRODUCTS SHALL HAVE 72 HOURS FROM DATE OF DELIVERY BEFORE PRODUCTS BECOME OUT-DATED.

LIQUID PRODUCTS SHALL BE FURNISHED IN TYPE OF CONTAINER AS SPECIFIED HEREIN.

THIS IS AN INDEFINITE DELIVERY CONTRACT TO FURNISH STATE OF MARYLAND AGENCIES WITH THEIR REQUIREMENTS FOR THE SPECIFIED PRODUCTS FOR THE DURATION OF THE CONTRACT PERIOD.

QUANTITIES SHOWN ARE FOR A ONE (1) YEAR PERIOD AND ARE APPROXIMATE. THEY ARE NOT TO BE CONSTRUED AS MINIMUM OR MAXIMUM. THIS CONTRACT DOES NOT OBLIGATE THE STATE TO PURCHASE ANY MINIMUM QUANTITY OR DOLLAR VALUE DURING THE CONTRACT PERIOD.

THE CONTRACTOR WILL BE ENTITLED TO NO CHANGE IN CONTRACT PRICE IF QUANTITIES ORDERED OR DELIVERED ARE MORE OR LESS THAN THE QUANTITIES ESTIMATED IN THIS SOLICITATION. THE CONTRACTOR WILL BE PAID FOR ALL ITEMS AND QUANTITIES ORDERED OR DELIVERED UNDER THE CONTRACT AT THE PRICE BID, REGARDLESS OF ITEMS OR QUANTITIES PREVIOUSLY ORDERED OR DELIVERED.

ITEMS MAY BE ADDED OR DELETED FROM THIS CONTRACT AS REQUIRED.

SUBSTITUTION MAY NOT BE MADE WITHOUT PRIOR CONSENT OF THE ORDERING AGENCY.

VENDOR MUST INCLUDE THE 9-DIGIT ZIP CODE OF COMPANY ADDRESS ON ALL INVOICES. FAILURE TO DO SO MAY RESULT IN DELAY OF PAYMENT.

ALL PRODUCTS USED IN PACKING TO CUSHION AND PROTECT DURING THE SHIPMENT OF COMMODITIES ARE TO BE MADE OF RECYCLED, RECYCLABLE, AND/OR BIODEGRADABLE MATERIALS.

CORPORATE "P" PURCHASING CARDS WILL BE USED FOR PAYMENT FOR ALL INDIVIDUAL AGENCY CONTRACT PURCHASES OF \$5,000 OR LESS.

A REPORT MUST BE FURNISHED BY THE SUCCESSFUL VENDOR EVERY MONTH DETAILING THE PURCHASE OF ALL ITEMS ON THE CONTRACT. THE REPORT SHALL BE SUBMITTED ELECTRONICALLY IN EXCEL FORMAT. AS A

*** CONTINUED, NEXT PAGE ***

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 11

TERMS (cont'd):

MINIMUM, THE REPORT SHALL REFLECT THE CONTRACT NUMBER, CONTRACT ITEM NUMBER AND DESCRIPTION, THE DOLLAR VOLUME PURCHASED OF EACH ITEM, AGENCY IDENTIFICATION, AND THE CONTRACT TOTAL. THE REPORT MUST BE FILED WITHIN TEN (10) DAYS AFTER THE END OF EACH REPORTING PERIOD. ANY EXCEPTION TO THIS MANDATORY REQUIREMENT MAY RESULT IN CANCELLATION OF THE AWARD. FAILURE TO PROVIDE THE REPORT WITH THE MINIMUM REQUIRED INFORMATION MAY ALSO NEGATE ANY CONTRACT EXTENSION CLAUSES. REPORT SHALL BE EMAILED TO THE FOLLOWING ADDRESS:

THEA.CHIMENTO@MARYLAND.GOV

DURATION: CONTRACTS SHALL REMAIN IN EFFECT FOR THE TIME PERIOD AND QUANTITY SPECIFIED UNLESS THE CONTRACT IS TERMINATED BY THE STATE. THE STATE MAY TERMINATE ANY CONTRACT WITHOUT SHOWING CAUSE UPON THIRTY (30) DAYS WRITTEN NOTICE TO THE CONTRACTOR.

IN THE EVENT IT BECOMES NECESSARY TO TERMINATE THE CONTRACT FOR UNSATISFACTORY PERFORMANCE, THE REMAINING PORTION OF THE CONTRACT WILL BE AWARDED TO THE NEXT LOWEST BIDDER ON RECORD IF THIS ARRANGEMENT PROVES TO BE MUTUALLY AGREEABLE.

THE DEPARTMENT OF GENERAL SERVICES' "TERMS AND CONDITIONS FOR COMMODITY CONTRACTS OVER \$25,000" AND TERMS AND SPECIFICATIONS OF ITB 001IT819884/ MDDGS31019769 ARE INCORPORATED HEREIN BY REFERENCE.

PURSUANT TO ARTICLE 41, SECTION 18-201 OF THE ANNOTATED CODE OF MARYLAND, EXCEPT AS PROVIDED IN (B) THE FOLLOWING ENTITIES MAY PURCHASE MATERIALS, SUPPLIES, AND EQUIPMENT UNDER THIS CONTRACT:

- (1) A COUNTY OR BALTIMORE CITY;
- (2) A MUNICIPAL CORPORATION;
- (3) A GOVERNMENTAL AGENCY IN THE STATE;
- (4) A PUBLIC OR QUASI-PUBLIC AGENCY THAT:
 - (I) RECEIVES STATE MONEY; AND
 - (II) IS EXEMPT FROM TAXATION UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE:
- (5) A PRIVATE ELEMENTARY OR SECONDARY SCHOOL THAT:
 - (I) EITHER HAS BEEN ISSUED A CERTIFICATE OR APPROVAL FROM THE STATE BOARD OF EDUCATION OR IS ACCREDITED BY THE ASSOCIATION OF INDEPENDENT SCHOOLS; AND
 - (II) IS EXEMPT FROM TAXATION UNDER SECTION 501 (C) (3) OF THE INTERNAL REVENUE CODE:

*** CONTINUED, NEXT PAGE ***

BLANKET PURCHASE ORDER

STATE OF MARYLAND

***** STATE OF MARYLAND *****

BPO NO: 001B8400084

PRINT DATE: 10/12/17

PAGE: 12

TERMS (cont'd):

OR

(6) A NONPUBLIC INSTITUTION OF HIGHER EDUCATION UNDER SECTION 17-106 OF THE EDUCATION ARTICLE.

A PRIVATE ELEMENTARY OR SECONDARY SCHOOL OR A NONPUBLIC INSTITUTION OF HIGHER EDUCATION MAY NOT PURCHASE RELIGIOUS MATERIALS UNDER THIS CONTRACT

THE RIGHT TO PURCHASE UNDER THIS SECTION SHALL BE IN ADDITION TO, BUT NOT IN SUBSTITUTION FOR, THE APPLICABLE PURCHASING POWER GRANTED TO ANY OF THE LISTED ENTITIES PURSUANT TO ANY STATUTORY OR CHARTER PROVISION.

ALL PURCHASES UNDER THIS CONTRACT BY ANY SUCH ENTITY WHICH IS NOT A UNIT OR AGENCY OF THE STATE OF MARYLAND FOR WHICH THE STATE OF MARYLAND MAY BE HELD LIABLE IN CONTRACT (1) SHALL NOT CONSTITUTE A PURCHASE OR CONTRACT BETWEEN THE CONTRACTOR AND THAT ENTITY ONLY, (2) SHALL NOT CONSTITUTE A PURCHASE OR CONTRACT OF THE STATE OF MARYLAND, (3) SHALL NOT BE BINDING OR ENFORCEABLE AGAINST THE STATE OF MARYLAND OR ANY OF ITS UNITS OR AGENCIES, AND (4) MAY BE SUBJECT TO OTHER TERMS AND CONDITIONS AGREED TO BY THE CONTRACTOR, AND THE PURCHASER. CONTRACTOR BEARS THE RISK OF DETERMINING WHETHER OR NOT ANY ENTITY FROM WHICH THE CONTRACTOR RECEIVES AN ORDER UNDER THE CONTRACT IS A UNIT OR AGENCY OF THE STATE OF MARYLAND SUCH THAT THE CONTRACT MAY BE ENFORCED AGAINST THE STATE OF MARYLAND.

***** LAST PAGE *****

AUTHORIZED BY: _____

DATE: _____

BUYER AUTHORIZED DESIGNEE

POTOMAC FARMS DAIRY
EFFECTIVE DECEMBER 1, 2017

LINE NO.	SIZE	ITEM	NOV PRICE	PRICE ADJUSTMENT	DEC PRICE
601	Gallon	Homogenized Milk	2.65900	0.0451	2.70410
675	1/2 Gallon	Homogenized Milk	1.54950	0.0226	1.57210
010	1/2 Pint	Homogenized Milk	0.15510	0.0028	0.15790
011	1/2 Pint	2% Reduced Fat Milk	0.13650	0.0039	0.14040
608	5 Gallon	2% Reduced Fat Milk	9.3935	0.3135	9.7070
678	1/2 Gallon	No Fat Skim Milk	1.27410	0.0436	1.31770
016	1/2 Pint	No Fat Skim Milk	0.11000	0.0055	0.11550
740	Plastic 1/2 Pint	No Fat Skim Milk	0.18000	0.0055	0.18550
019	1/2 Pint	1% Chocolate Milk	0.13990	0.0048	0.14470
381	1/2 Pint	Fat Free Chocolate Milk	0.12960	0.0055	0.13510
358	5 Gallon	Chocolate Milk	9.6975	0.3830	10.0805
615	Gallon	Lowfat 1% Milk	2.54600	0.0766	2.62260
175	1/2 Pint	Lowfat 1% Milk	0.12130	0.0048	0.12610
746	Plastic 1/2 Pint	Lowfat 1% Milk	0.19130	0.0048	0.19610
382	1/2 Pint	Fat Free Strawberry Milk	0.13940	0.0055	0.14490
018	Quart	Buttermilk	1.02210	0.0000	1.02210
080	1/2 Gallon	Holiday Nog	2.74000	0.0000	2.74000

POTOMAC FARMS DAIRY
EFFECTIVE DECEMBER 1, 2017

LINE NO.	DESCRIPTION	SIZE	OLD PRICE	CHANGE	NEW PRICE
3	LACTAID	HALF PINT	0.54000	0.00000	0.54000
48	HEAVY CREAM	QUART	3.06000	0.00000	3.06000
117	HALF & HALF CREAMERS	288/CASE	11.37000	0.00000	11.37000
119	NON-DAIRY CREAMERS	288/CASE	6.75000	0.00000	6.75000
31	SOUR CREAM	5 LB	5.91000	0.00000	5.91000
51	COTTAGE CHEESE	5 LB	5.82000	0.00000	5.82000
134	2% COTTAGE CHEESE (LO CAL)	5 LB	5.82000	0.00000	5.82000
334	1% COTTAGE CHEESE (LO CAL)	5 LB	5.82000	0.00000	5.82000
81	WIP TOPPING	15 OZ CAN	2.13000	0.00000	2.13000
61	ORANGE JUICE	HALF GALLON	2.37000	0.00000	2.37000
68700	ORANGE JUICE	HALF PINT	0.23800	0.00000	0.23800
193	ORANGE JUICE	4 OZ	0.14000	0.00000	0.14000
194	APPLE JUICE	4 OZ	0.12000	0.00000	0.12000
19500	ORANGE DRINK	HALF PINT	0.09600	0.00000	0.09600
19501	FRUIT PUNCH DRINK	HALF PINT	0.09600	0.00000	0.09600
85	AXELROD YOGURT	6 OZ	0.52000	0.00000	0.52000
319	YOGURT	5 LB	5.82000	0.00000	5.82000

United States Department of Agriculture

AGRICULTURAL MARKETING SERVICE

DAIRY PROGRAMS

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MIDEAST MARKETING AREA

Federal Order No. 33

Email: clevelandma1@sprynet.com

Web Page: www.frmaclev.com

ANNOUNCEMENT OF ADVANCED PRICES AND PRICING FACTORS ^{1/}

DECEMBER 2017

Class I	Differential Rate (per cwt.)	Skim Milk (per cwt.)	Butterfat (per lb.)	3.5% BF (per cwt.)
Cuyahoga County, OH (Cleveland)	\$2.00	\$10.30	\$2.5535	\$18.88
Processor Assessment ^{2/}		<u>0.20</u>	<u>0.0020</u>	<u>0.20</u>
Total		\$10.50	\$2.5555	\$19.08
Class I Price Adjusted for Location ^{3/}	\$1.80	\$10.10	\$2.5515	\$18.68
	2.10	10.40	2.5545	18.98
	2.20	10.50	2.5555	19.08
	2.30	10.60	2.5565	19.18
Class II				
	Skim Milk Price	\$5.94 / cwt.		
	Nonfat Solids Price	0.6600 / lb.		

ADVANCE PRICING FACTORS

Advance Class III Skim Milk Price	\$8.30 / cwt.
Advance Class IV Skim Milk Price	5.24 / cwt.
Advance Butterfat Price	2.5335 / lb.

AGRICULTURAL MARKETING SERVICE NATIONAL DAIRY PRODUCTS PRICE AVERAGES

Weeks ending 11/11, 11/18

Cheese.....	\$1.7641 / lb.
Butter.....	2.2636 / lb.
Nonfat Dry Milk.....	0.7563 / lb.
Dry Whey.....	0.3561 / lb.

^{1/} See Price Formulas by going to <https://www.ams.usda.gov/resources/current-price-formulas>.

^{2/} The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

^{3/} Processor assessment should be added as shown for the Cuyahoga County prices.

/s/ Sharon R. Uther
Market Administrator

RELEASED: November 22, 2017